

**TENNESSEE GENERAL ASSEMBLY
FISCAL REVIEW COMMITTEE**



FISCAL NOTE

SB 685 - HB 752

March 7, 2011

SUMMARY OF BILL: Prohibits the governing body of any county or city from restricting private or non-profit ambulance services in excess of those restrictions placed upon the emergency and non-emergency services of the county or city.

ESTIMATED FISCAL IMPACT:

**Decrease Local Revenue – \$73,154,400/FY11-12
\$146,308,800/FY12-13 and Subsequent Years**

**Decrease Local Expenditures - \$36,577,200/FY11-12
\$73,154,400/FY12-13 and Subsequent Years**

Assumptions:

- Based on data from Montgomery County extrapolated to the State as a whole, there are approximately 962,558 emergency responses in Tennessee annually, not including private ambulance responses. The average cost of one ambulance run, based on data from Robertson and Montgomery Counties, is \$760 [\$580 flat fee + \$180 for mileage (\$12 per mile at an average of 15 miles)]. The total annual cost of emergency responses is \$731,544,080.
- In FY11-12, local governmental emergency medical services will experience a 10 percent decrease in revenue of \$73,154,400 [$\$760 \times (962,558/2) \times 10\%$] due to the growth of private and non-profit emergency services.
- In FY12-13 and subsequent years, the use of private and non-profit ambulance services will grow resulting in a 20 percent decrease in revenue of \$146,308,816 ($\$760 \times 962,558 \times 20\%$).
- Fifty percent of the reduced revenue will be offset by reduced expenditures on emergency responses. Local government expenditures will decrease \$36,577,200 in FY11-12 and 73,154,400 in FY12-13 and subsequent years.

CERTIFICATION:

The information contained herein is true and correct to the best of my knowledge.

A handwritten signature in blue ink, reading "James W. White". The signature is fluid and cursive, with the first name "James" written in a smaller, more compact script than the last name "White".

James W. White, Executive Director

/jdb